## AMENDED IN ASSEMBLY AUGUST 15, 2005 AMENDED IN SENATE JUNE 1, 2005 AMENDED IN SENATE MAY 31, 2005

## **SENATE BILL**

No. 472

## **Introduced by Senator Alquist**

February 18, 2005

An act to add Section 11011.30 to amend Section 87207 of the Government Code, relating to state property the Political Reform Act of 1974.

## LEGISLATIVE COUNSEL'S DIGEST

SB 472, as amended, Alquist. Disposition of state property: Bay Area Research Extension Center. Political Reform Act of 1974: disclosure of income.

Existing law generally authorizes the Director of General Services to sell, lease, or exchange surplus state property, after it has first been offered to local government agencies or for specified purposes, subject to specified conditions.

This bill would authorize the director to sell, lease, or exchange the remaining approximate 6 acres in the City of Santa Clara known as the Bay Area Research Extension Center, subject to the specified conditions.

(1) Existing provisions of the Political Reform Act of 1974 require public officials and designated employees of public agencies to file annually a written statement of the economic interests they possess during specified periods. Existing law requires that when the filer's pro rata share of income to a business entity is required to be reported, the statement contain the name of every person from whom

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the business raised \$10,000 or more in gross receipts during a calendar year.

The bill would require these filers to specify receipts in increments of \$10,000 to \$50,000; more than \$50,000 to \$100,000; more than \$100,000 to \$250,000; more than \$250,000 to \$500,000; more than \$500,000 to \$1,000,000; and more than \$1,000,000.

(2) Existing law makes a violation of the act subject to administrative, civil, and criminal penalties.

This bill would impose a state-mandated local program by imposing these criminal penalties on persons who violate the provisions of the bill.

(3) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

(4) The Political Reform Act of 1974, an initiative measure, provides that the Legislature may amend the act to further the act's purposes with a  $\frac{2}{3}$  vote of each house and compliance with specified procedural requirements.

This bill, which would declare that it furthers the purposes of the act, would therefore require a  $\frac{2}{3}$  vote.

Vote: majority <sup>2</sup>/<sub>3</sub>. Appropriation: no. Fiscal committee: yes. State-mandated local program: no-yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 87207 of the Government Code is 2 amended to read:
- 87207. (a) When income is required to be reported under this article, the statement shall contain, except as provided in subdivision (b):
- 6 (1) The name and address of each source of income aggregating five hundred dollars (\$500) or more in value, or fifty
- 8 dollars (\$50) or more in value if the income was a gift, and a
- 9 general description of the business activity, if any, of each 10 source.
- 11 (2) A statement whether the aggregate value of income from 12 each source, or in the case of a loan, the highest amount owed to

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each source, was at least five hundred dollars (\$500) but did not exceed one thousand dollars (\$1,000), whether it was in excess of one thousand dollars (\$1,000) but was not greater than ten thousand dollars (\$10,000), whether it was greater than ten thousand dollars (\$10,000) but not greater than one hundred thousand dollars (\$100,000), or whether it was greater than one hundred thousand dollars (\$100,000).

- (3) A description of the consideration, if any, for which the income was received.
- (4) In the case of a gift, the amount and the date on which the gift was received.
- (5) In the case of a loan, the annual interest rate, the security, if any, given for the loan, and the term of the loan.
- (b) When the filer's pro rata share of income to a business entity, including income to a sole proprietorship, is required to be reported under this article, the statement shall contain:
- (1) The name, address, and a general description of the business activity of the business entity.
- (2) The name of every person from whom the business entity received payments—if of which the filer's pro rata share of gross receipts from that person—was equal to or greater than ten thousand dollars (\$10,000) during a calendar year- was at least ten thousand dollars (\$10,000) but not more than fifty thousand dollars (\$50,000), was more than fifty thousand dollars (\$50,000) but not more than one hundred thousand dollars (\$100,000), was more than one hundred thousand dollars (\$100,000) but not more than two hundred fifty thousand dollars (\$250,000), was more than two hundred fifty thousand dollars (\$250,000) but not more than five hundred thousand dollars (\$500,000) but not more than five hundred thousand dollars (\$500,000) but not more than one million dollars (\$1,000,000), or was more than one million dollars (\$1,000,000).
- (c) When a payment, including an advance or reimbursement, for travel is required to be reported pursuant to this section, it may be reported on a separate travel reimbursement schedule which shall be included in the filer's statement of economic interest. A filer who chooses not to use the travel schedule shall disclose payments for travel as a gift, unless it is clear from all surrounding circumstances that the services provided were equal

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1 to or greater in value than the payments for the travel, in which 2 case the travel may be reported as income.

SEC. 2. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.

SEC. 3. The Legislature finds and declares that the provisions of this act further the purposes of the Political Reform Act of 1974 within the meaning of subdivision (a) of Section 81012 of the Government Code.

SECTION 1. Section 11011.30 is added to the Government Code, to read:

11011.30. Pursuant to Section 54222 and notwithstanding Sections 11011.1 and 11011.10, the Director of General Services may sell, lease, or exchange, upon any terms and conditions, and with any reservations and exceptions, deemed by the director to be in the state's best interest, the remaining approximate six acres in the City of Santa Clara known as the Bay Area Research Extension Center (BAREC), subject to the following conditions:

- (a) The Department of General Services shall market the property with the condition that the sale, lease, or exchange cannot be completed until the appropriate local governmental entity has granted entitlements for the buyer's or lessee's development project.
- (b) The Department of General Services shall, prior to the sale, lease, or exchange, perform preliminary studies to determine the presence of hazardous materials on the site.
- (e) Where the land is to be used for the purpose of providing housing for persons and families of very low, low, or moderate income, as defined in Section 50093 of the Health and Safety Code, the Director of General Services, with the approval of the State Public Works Board, may offer the land to local agencies within whose jurisdiction the land is located. The land shall be transferred to the local agencies at a reasonable cost that is less than fair market value to enable the provision of housing for

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persons and families of very low, low, or moderate income. In no ease shall the reasonable cost be more than three million dollars (\$3,000,000) below fair market value.

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4 5 (d) The fair market value of the land shall be established by the price per acre accepted by the state pursuant to a purchase agreement between the state and SummerHill Winehester LL for approximately 10 acres of the land on the BAREC site.